AN INVESTIGATION INTO THE EFFECTIVENESS OF SKILLS-RETENTION STRATEGIES IN CURBING STAFF TURNOVER: A CASE OF A HEALTH CARE ORGANISATION IN ZIMBABWE

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ABSTRACT

The study investigated the effectiveness of skills retention in curbing staff turnover using a case study of an Insurance Health Company in Harare. The research was prompted by high labour turnover in the insurance sector in Zimbabwe. The major objectives of the study were to determine the effects of training and professional development on skills retention; identify the impact of rewards system on employee retention and analyzes the association between job satisfaction and retaining employees. The study adopted a quantitative approach in order to gain much information from a large sample of 169 in size drawn using stratified random sampling. A questionnaire was used as the research instrument in which it consisted of six (6) sections covering the effect of professional development and training on employee retention, the impact of rewards system on skills retention, the association between job satisfaction and employee retention and the effect of the work environment on retaining employees. The study concluded that Health Company employees regarded training and development programs to be at the core of organizational activities and employee success. The findings also established that management was appropriately recognizing efforts and results of all the employees through various monetary and non-monetary rewards. The research results showed a paramount importance of job satisfaction as the driver and catalyst for employee retention in the organization. The Pearson correlation analysis and regression analysis revealed that there is a high association between the implementation of effective skills retention strategies and curbing staff turnover for the organisation. In particular, management can look for congruence between the individual’s values and goals with those of the organisation to avoid employee turnover. Additionally, the organization should take into consideration factors such as promotion, salaries, working conditions and the nature of work in order to reduce employee turnover.

KEYWORDS: Employee retention, Training and Development, Turnover

1. INTRODUCTION

In today’s globalized world, retaining employees has become one of the most critical issues facing organizations. Moreover, many organizations have dismally failed to keep up with the changing needs of the workforce and this has triggered high employee turnover. In that sense, this study seeks to investigate the effectiveness of skills-retention strategies in curbing staff turnover with reference to the Health Insurance industry in Zimbabwe. Skills retention has emerged as an important global topic in the light of economic uncertainty and downsizing by organizations, especially in the medical aid services sector (Coetzee and Schreuder, 2013; Kassa, 2015; Maliku, 2014). Indeed, various organizations have found it significant to retain skilled employees in order to sustain competition and deliver service efficiently. In the developed world,
especially in the United States of America and other members of the European Union, employee turnover rate in medical healthcare services sector has been estimated at 40% and 56% respectively (Mantere, Schildt & Sillince, 2012; Mohammed, Bhatti, Jariko & Zehri, 2013; Okioga, 2014). In the same vein, surveys by Nagadevara, Srinivasan and Valk (2008) revealed that 41% of people in the medical healthcare services in western countries change jobs as often as every two to four years.

In the developing countries such as Africa, the shortage of highly skilled employees in the medical aid services sector had meant that most organizations are left with understaffed and less qualified workforce. As expounded by Kaur (2013), the lack of skilled workforce had negatively affected the competitiveness of many organizations. In countries such as Nigeria, Ghana, Kenya, Senegal and Mali employee turnover had been escalating with average attrition estimated at 15% per annum (Bidisha and Mukulesh, 2013; Maliku, 2014; Murphy, 2015). These high rates of employee turnover had been generating high costs that will take many years to recover. In the Zimbabwean context, employee turnover had not been uncommon, with acute shortage of qualified personnel. Indeed, retaining key employees had become a daunting task for many organizations. As noted by Terera and Ngirande (2014), 68% of employees in Zimbabwean companies leave their employer after two to four years. For companies in the medical aid services sector, employees had been leaving their positions in search of new challenges as they feel that their current jobs are at a “dead end” with nowhere to progress. Indeed, the healthcare sector witnessed tremendous employees’ turnover estimated at more than 56% and the client Health Company had not been an exception (Maliku, 2014). With many employees leaving the organization, the rise in job turnover has significantly affected the productivity of the organization. As noted by Ratna and Chawla (2012), the costs of employee turnover to the organization include resource management expenses, loss of time and efficiency, headhunting fees, employee training and development expenses. Amongst the reasons why the employees have been leaving the organization en masse include low and stagnant salaries, lack of training and development opportunities and general office politics (Samuel and Chipunza, 2015).

In light of the above challenges facing employees, they have been exposed to various career opportunities at their disposal and they have been tempted to move over to “greener pastures”. Consequently, the organization had been losing highly skilled workers to competitors and other companies in various business sectors. More so, because of high employee turnover, Health Client Company has been experiencing immense disruption in its day to day activities as well as incurring exorbitant costs of hiring and training new employees. Another indirect cost that has been experienced by the organization is the adverse demoralization of employees who would have opted to remain (Susana, 2014). Hence, the failure to retain qualified and highly skilled staff by Health Client Company has not only affected the organization’s ability to keep loyal customers, but has also increased the costs of replacing employees. In light of the preceding research context, the study seeks to determine the effectiveness of skills retention strategies in curbing staff turnover, within the Health Industry. The following sections discuss the statement of the problem, research objectives, research methodology and data analysis.

1.1 Statement of the Problem

Replacing employees had been greatly costing the Health Insurance Client Company as they had been spending a lot of costly resources on employee recruitment and replacement. According to the company’s quarterly and annual reports, it is no exaggeration that high labour turnover for the Health Company has been damaging the performance of the organisation through increased recruitment costs, delayed service delivery and low employee morale. As postulated by Kabungaidze, Mahlatshana and Ngirande (2013), these activities have negatively affected organisational success due to failure to retain highly skilled and qualified employees. More so, the high turnover rates had psychologically affected current employees of the organisation thereby reducing their commitment as well as organizational productivity. As such, it is important for Health Client Company to control the high employee turnover through the implementation of various proper skills retention strategies. In this regard, the study to investigate the effectiveness of skills-retention strategies in curbing staff turnover.

1.2 Aim of the Study

The primary objective of the study was to explore the effectiveness of skills retention strategies in curbing staff turnover with specific reference to the Health Industry. The reason for selecting the Health industry for the study was to have robust and a vivid understanding of real-life organizational trends such as employee retention strategies which would assist in minimizing high job turnover. In particular, the study aimed at finding out the skills retention strategies that should be practiced by the Health Industry in order to retain its qualified, skilled and semi-skilled employees.
1.3 Research Objectives

The study sought to attain the following objectives:

- Determine the effect of training and professional development on skills retention.
- Identify the impact of rewards system on employee retention.
- Analyze the association between job satisfaction and retaining employees.
- Determine the effect of work environment on skills retention.
- Determine the effect of organizational commitment on employee retention.

1.4 Research Questions

The study sought to answer the following research questions:

- What is the effect of training and professional development on skills retention?
- What is the impact of rewards system on employee retention?
- What is the association between job satisfaction and retaining employees?
- What is the effect of work environment on skills retention?
- What is the effect of organizational commitment on employee retention?

2. LITERATURE REVIEW

The section defines terms such as employee turnover, employee retention, and satisfaction. It further analyses literature on factors that affect Employee Retention, effects of Employee Turnover and effects of Training and Professional Development on Skills Retention.

2.1 Employee Turnover

This is defined by Abasi and Hollman, (2000) as the rotation of employees around the labour market, between jobs, firms and occupations, and between states of employment and unemployment. Price (1977) says it is the ratio of organizational members who left their job(s) during the period under consideration divided by the average number of people in that organization during that period. In the same vein, Woods (1995) defines the term as any replacement cycle of employees leaving the firm. In other words, turnover is the frequency with which employees separate with an organization, whether voluntarily or involuntarily.

2.2 Employee Retention

It is a process in which employees are encouraged to remain in the organization, according to Maertz and Campion (1998). Zineldin (2000) defines retention as an obligation to continue to do business on an ongoing basis. Stauss, Chojnacki, Decker, and Hoffman, (2001) defined retention as liking, identification, trust and commitment to an organization. Employee retention is therefore a process of actively retaining or withholding employees within an organization through motivation and instilling favourable impressions and attitudes within the employees.

2.3 Satisfaction

Morse (1997) refers to satisfaction as the level of fulfillment of one’s needs and desires. Spector (1997) defined it as the feelings that a given employee has about his or her job and its various aspects. Along the same lines, Moyes, Shao and Newsome (2008) posit that employee satisfaction refers to how pleased an employee is with his or her job. Thus, employee satisfaction is all about providing the necessary work and personal life balance as well as a work environment that ensures gratification. The three definitions above are correlated positively because if an employee is satisfied, there is no reason for them to leave an organization hence they are naturally retained. If more employees are retained, the turnover or sales of the business is increased hence the organization will meet its objectives such as profit-making, improved compensation and satisfaction levels and more employee retention, among others.

2.4 Factors That Affect Employee Retention

Employee retention has become a key ingredient for the success and survival of organizations in both developed and developing countries (Dijk, Engen and Paauwe, 2012; Mohammed Bhatti, Jariko and Zehri, 2013). The three main dimensions and expansive measurements of employee retention recognized by scholars include physical, social and mental. As postulated by Kwon, Chung, Roh, Chadwick and Lawler (2012), the mental dimension of employee retention consist of
work attributes. Under this dimension, employees are usually inclined towards the adaptation of work undertakings where they are able to use their insight and foresee any likely outcomes for their endeavours. Ultimately, this helps in retaining important assets of the organization. On the other hand, the social dimension focuses on employee contacts with other external and internal individuals to the organization (Chan, Cheng and Leung, 2011). The third aspect, the physical dimension, consists of employee working conditions as well as salaries and benefits.

As elucidated by Kwon, Chung, Roh, Chadwick and Lawler (2012), there is the need for organizations to use a robust scope of human resources management dimensions in order to have committed employees as well as maintain high retention. Chan, Cheng and Leung (2011) recognized some of the human resources dimensions that can be used to retain employees. These include, *inter-alia*, appreciating and compensating employees for any performed and accomplished work; offering learning and promotion opportunities, thought-provoking work and responsibilities, harmonious and beneficial work relationships, personal and professional life balance, effective communications, as well as a conducive working environment. In addition to the above factors, Carraher (2011) also emphasizes that employee training and development are amongst the most important factors in employee retention. In the same vein, Dijk, Engen and Paauw (2012) concur and argue that these factors result in good employee engagement and workplace environment standards. Kaplan, Wiley and Maertz (2011) identified premises of trust, employee responsibility, loyalty as well as general relationship and identification with the organization as important skills-retention variables. Other factors influencing employee retention noted by Kucherov and Zavyalova (2012) include level of employee training, position, initiative aptitudes, learning disposition, organizational elements such as stimulation and appreciation, as well as workload.

Reasons why employees might decide to leave their organizations include poor relationships with superiors and colleagues, boredom with the work itself, inability of employees to make inputs in decision making, poor salaries and compensation (Jacka and Quinn, 2010; Schooley and Moore, 2010). These aspects may result in employee disengagement which will in turn trigger the intention to leave the organization. Additionally, Schooley and Moore (2010) believe that employees may be dissatisfied largely due to other obscured reasons such as incongruity between job responsibilities and the person, lack of mentorship and advice from leadership, lack of progression and career advancement opportunities, work burnout, occupational stress, and loss of trust and confidence in management. From the above discussion, it can be noted that the factors that affect employee retention abound. As such, there should be a myriad of variables that can be used to retain employees in an organization.

### 2.5 Effects of Employee Turnover

It is no exaggeration that employee turnover is amongst many factors that impact on the performance and success or failure of an organization. As postulated by Kucherov and Zavyalova (2012), both organizations and employees are impacted on by employee turnover. Employees would need to learn new job skills as part of their development, while on the part of organizations, there will be the associated costs of employing and training new employees as well as the loss of specific employee skills and qualifications. As noted by Buchan and Black (2011), when employees decide to leave an organization, this may result in loss of important knowledge, which may end up benefiting other potential employers or competitors. Inevitably, the departure of employees from an organization will have both direct and indirect financial costs, which will definitely affect long term organizational performance and profitability. As such, it is of utmost importance for companies to keep their workers happy and motivated through the use of various potential retention strategies.

According to Sermeus (2011), many organizations have been feeling the negative effect of employee turnover. Organizations with high turnover rates experience immense disruptions in the workplace, fail to have distinctive employees with career prospects and lack employees with specific job proficiencies. In addition, organizations also incur the high costs of employing and training new employees (Jacka, and Quinn, 2010). This emphasizes the argument that there are many negative effects of high employee turnover in an organization. As such, it is very important for organizations to retain their skilled and highly qualified employees. Retaining employees is very critical for any organization since it will affect both financial and non-financial performance. However, employee turnover may also be beneficial to the organization in some instances, for example, the new hire may possess greater talent, qualifications, skills and ingenuity. It is therefore important for organizations to carefully determine when to retain, let go or engage new hires. Although various factors influence this decision, the decision is still important as it has effects on the performance of the organization.

A quantitative study by Nwokocha and Iheriohanma (2012) on 62 middle management Nigerians revealed that the reasons for employees staying at their workplace included satisfaction of compensation and remuneration, opportunities for advancement and fulfillment with the content of the job and affiliation. In the same vein, another study by Maliku (2014) on
National Oil Corporation of Kenya found that the most popular tools for employee retention included strong company culture, structured career progression, work life balance, training and mentoring partnerships as well as employee recognition and rewards.

In a qualitative analytical research conducted on hotel employees by Hedwiga (2011), it was discovered that management employees will remain with their company as long as there is good organizational culture and sufficient job satisfaction. In agreement with the above argument, Ranjitham (2013) argues that if employees are satisfied they tend to stay longer. When organizations engage in good working relationships, employee satisfaction tends to improve. Another close analysis by Jerome (2013) revealed that good communication and leadership by management will result in low employee attrition and reduce poor employee engagement. Thus, good communication by management would act as a catalyst in building workplace relationships and is an indispensable component of leadership. Indeed, good leaders should be in position to comprehend communication and interpersonal skills in order to understand and relate with employees in a better way.

2.6 The Effect of Training and Professional Development on Skills Retention

Training refers to a planned system of how to enhance individual job performance, (Chiaburu and Tekleab, 2005). It is about improving the skills that are necessary for the achievement of organizational objectives. Training programs help the workforce to decrease their fear, originated by work on the job (Chen et al., 2004). There has been a general observation that incapacitated employees generally leave the firm since they are not capacitated to perform tasks, (Chen et al., 2004). Thus, training helps to capacitate employees to confidently execute their tasks, hence increase their self-esteem, engagement and retention. Training sharpens and develops employees’ thinking ability in order to make better decisions on time, and in a more productive manner, (David, 2006). Employees are also capacitated to respond to customer complaints in an efficient and timely manner. (Hollenbeck, Derue and Guzzo, 2004). This is further supported by Rowden and Conine (2005) who postulate that trained employees easily satisfy customers, and (Tsai, Yen, Huang and Huang, 2007), who suggest that employees from a training program show a greater level of job satisfaction. Ultimately, training develops confidence and generally results in superior performance on the job, according to Svenja, (2007). Employees who perform to the best of their capabilities through training are satisfied with their work and tend to stay longer within the organization because they see and feel the value they add to the organization.

The core competencies of training include learning, creative thinking, communication, collaboration, problem solving and career management, according to Kottke, (1999). All these competencies are necessary for one to gain efficient and effective job skills, leading to a negation of the fear that originates from one’s job surroundings and circumstances. Ultimately, one tends to be build confidence in their job and is therefore bound to stay longer. Training works together with development programs to increase the efficiency of employees. The supreme goal of many employee development programs is to express the vision of the firm, to help workers to comprehend corporate values and culture, and to show all employees at all levels how they can assist the company to succeed, (Gerberman, 2000). Employee development programs also support the business’s strategic goals by providing learning opportunities which will help to engrain the organizational culture (Kottke, 1999). While the need for technical training in a specific position will never disappear, understanding an organization’s culture and fitting into it have also become increasingly important for employee success, hence satisfaction and retention. Two factors that are crucial to the success of employee development programs are; keeping them current, and putting learning in the hands of employees. This will enable sufficient employee empowerment and aid in retaining them because they are fully aware of the current needs of the organization and their place in fulfilling such, hence an inner push to hang around and deliver.

As postulated by Jeanne Meister (1998), “knowledge changes quickly and workers have to adjust”. In a turbulent environment like in Zimbabwe, particularly the health and/or medical aid administration sector, companies rely on workshops and seminars to receive new information. However, due to increased competition in such sectors there is need for increased interaction of training and development programs. Furthermore, there is need to transform these workshops into results-oriented programs targeted at enhancing both the business objectives and employee satisfaction, hence achieve retention and continuity objectives.

There is a strong correlation between training, development, and retention of employees in an organization, since trained workers are motivated and confident to perform tasks at a high level. Hence, naturally, they remain in an organization. Retention is defined as “continued employment of skilled and productive staff,” (Wells in Shen, Cox and McBride, 2004). It is a voluntary decision by an organization to cultivate an environment which engages employees for a long time (Chaminade, 2007). Along the same lines, Harvard Business Essentials (2002) describe retention as the converse of turnover,
being voluntary and involuntary. According to McGew (2017), voluntary turnover happens where an employee leaves a company out of choice, while involuntary turnover is where an employee leaves the business because their services have been terminated by other means, and not by personal decision. The focus of this dissertation is on the former, and how effective employed strategies such as training and professional development can be in addressing such.

It is very important to note that training and development help in skills-retention. Organizations should invest in professional development and training in order for employees to stay. As postulated by Nwokocha and Iheriohamma (2012), organizations should invest in employee training and development of employees since they are the ones who generate profit and revenue. According to Jerome (2013), organizations should develop their employees through the use of proficiency analysis, taking into consideration the concerns of employees, their developmental needs, capability assessments, as well as making plans for future activities. In agreement, Kazi and Zedah (2011) opine that organizations must strongly invest in training and developing the human capital base in order to buttress the employee skills and propensities. More so, employee training and development should be continuous in order to keep improving and enhancing their skills.

According to Monaghan (2016), training and development is important in increasing employee commitment towards an organization. Mak and Sockel (2001) opine that retaining a healthy team of committed and productive employees help to maintain corporate culture. As such, many employees would expect to acquire new learning skills to adapt with ever-changing business environment and also impart the same to their colleagues, (Hedwiga, 2011). Lockwood (2014) notes that some organizations would postpone important employee training projects but this will negatively affect the organizational culture. In this regard, employee turnover rate will be unwittingly activated, (Moaz, Gharib, Taha, and Mohammed, 2017). Thus, training and development should be part of organizational strategy since this will add value to all the employees. Moreover, studies reveal that organizations which rely on training and development have lower employee attrition, (Nagadevara, Srinivasan and Valk, 2008; Okioga, 2014; Susana, 2014). Ultimately, these employees will form bedrock of flexible, technologically savvy and fully-developed human capital prepared to move any organization towards positive growth and expansion.

Training helps workers to improve their abilities and skills that are needed at the workplace, (Jie and Roger, 2005). Furthermore, training programs may help the workforce to decrease their anxiety from work on the job (Chen, Vanek, and Carr, 2004). Along the same lines, only workers who feel they are not able to perform a task with the desired level of performance often quit the firm (Chen et al., 2004). The flip side of this is that if such employees decide to stay, the firm will not increase productivity, (Kanelopoulos and Akrivos, 2006). Thus, training serves to address both employee turnover and non-performance.

Rowden (2002), suggests that training can be an efficient tool for improving one’s job satisfaction, and as employees improve in performance, top management will in turn promote room for their growth. According to Rowden and Conine (2005), trained employees can easily satisfy their customers. Resultantly, that customer satisfaction will aid in building a relationship that will also satisfy the employees from within, thereby increasing retention. Tsai, Yen, Huang and Huang (2007), suggests that employees who learn as a result of training programs show a greater level of job satisfaction which will improve their chances of remaining on the job along increased performance, which will help to achieve organizational goals. Mamoria (1995) posits that training enables employees to develop and mentor themselves within the organization and raise their market values, hence increased motivation to stay at the organization. In addition, training improves efficiency and shapes employees’ job related behavior. Ultimately, the firm gets a higher return on investment particularly if that employee remains with the organization for longer. Mamoria (1995) further postulates that a well-trained worker is efficient in using organizational resources thereby cutting wastage costs. This will help the organization to achieve profitability, which will indirectly increase the employee’s reward and compensation, hence skills-retention. Furthermore, as stated by Ohabunwa (1999), when employees are well trained organization, they can delegate authority and responsibility with full confidence. This form of empowerment is a necessary step towards attaining buy-in of the organization’s vision, and ultimately, skills retention.

Training employees is also a good source of gaining competitive advantage (Houger, 2006). In a related study, Pfeffer (1994) highlights that a well-trained workforce is more capable of achieving performance goals and eventually competitive advantage in the market. This helps a company to improve its effectiveness and productivity levels, hence an improved bottom line. When the bottom line is positively impacted, the staff welfare, rewards and compensation systems also improve, leading to satisfied and engaged employees, who are bound to stay longer within the organization. As the organization realizes how much training is important, it is equally important for the organization to develop good training programs and
carefully select the design, (Armstrong, 2000). Ginsberg (1997) opines that the design of the training should be according to the needs of the employees and that will in turn increase performance. He further postulates that a bad training design is nothing but the loss of time and money. It should be noted that it is not just training that yields organizational goals and skills retention. Other factors also need to be taken into cognizance as discussed below.

3. RESEARCH PHILOSOPHY

A research philosophy can be described as a belief about the way in which data about a phenomenon should be gathered, analysed and used (Wang, 2008). The four main research philosophies used in management and business research include positivism, realism, interpretivism and pragmatism. It should be pointed out that there is no research philosophy that is better than the other. In line with the research objectives and research problem, the study utilised positivism because of its objectivism. Moreover, positivism was used for the study because of it is anchored on not only objectivism but it is also representative of the whole population (Creswell, 2013; Saunders, Lewis and Thornhill, 2013). In addition, the researcher would be able to test deductively derived theories relating to effectiveness of skills-retention strategies in curbing staff turnover through the control and selection of relevant study variables. In this regard, the researcher and the research problem relating to effectiveness of skills-retention strategies in curbing staff turnover were independent entities. The other reason for using positivism was that the researcher could study the research problem as hard facts which could be established using scientific laws the same way as natural objects.

In addition, the use of positivism would allow the researcher to establish the relationship between study variables. As such, the object of the study was to investigate the relationship between skills-retention strategies as the independent variables and staff turnover as the independent variable. The use of positivism also helped the researcher to generalise findings and apply beyond the situation in which the study was originally conducted. In addition, the use of positivism would assist the researcher in minimising biases and any values that could contaminate the research process. As such, positivism provided a self-corrective tool that could check the credibility of primary data and reduced biases due to researcher subjectivity.

More so, it has also been noted that majority of studies relating to the effectiveness of skills-retention strategies in curbing staff turnover have been underpinned by a positivist approach (Bryson, Pendleton and Whitfield, 2013; Dalvi and Ebrahimi, 2013; Salau, Falola and Akinbode, 2014). In particular, Salau, Falola and Akinbode (2014) note that positivism still dominates more than 80% of published empirical researches relating to skills-retention strategies and employee turnover. This is also postulated by Condrey (2010) who note that positivism appears most relevant to skills-retention strategies because of its deductive inference from indisputable axioms and inductive inference from empirical data. Thus, given the study’s research objectives and research problem, the best fit to follow in this study was a positivist research philosophy. Furthermore, the use of positivism would help to quantify data from questionnaires and provide solutions to the research problem.

3.1 Research Design

The study used a descriptive research design in order to investigate the effectiveness of skills-retention strategies in curbing staff turnover. As pointed out by Mugenda and Mugenda (2009), a descriptive research design seeks to gather data concerning the current status of the phenomena with respect to variables or conditions in a situation. The main purpose was to explain the relationship between selected variables of skills-retention strategies and employee turnover. The descriptive research design was considered to be suitable for determining whether and to what degree a relationship exists between quantifiable variables (Kuruvilla and Ranganathan, 2010; Makienko and Bernard, 2012). Since the study sought to gather quantitative data that described the effectiveness of skills-retention strategies the use of a descriptive research design was most suitable. Moreover, a descriptive research design describes data and characteristics about the research phenomenon and answers the questions who, what, where, when and how, (Bryman and Bell, 2011).

Furthermore, a descriptive research design seeks to observe and describe behaviour of a subject without influencing it in any way, (Scandura and Williams, 2013). Moreover, the use of descriptive research design would involve statistically testing to see whether there are any relationships between study variables general circumstances. Through descriptive research design, reasoning would start with theory and then result in inferential statistics and this would be important in deciphering a lacuna of different causes within the given research context relating to the effectiveness of skills-retention strategies in curbing staff turnover. Additionally, findings produced through descriptive research designs offer greater objective analysis, (Onwuegbuzie, Leech and Collins, 2012). The other advantage of using descriptive research design was

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that it used large samples and highly precise data. Kuruvilla and Ranganathan (2010) also recommend the use of survey strategy because the method allows researchers to collect quantitative data which can be analysed quantitatively using inferential statistics. As such, the findings from the study sample could be generalised to the whole study population.

3.2 Sampling Techniques

A sample can be defined as a small sub group of the population (Quinlan, 2011). Fraenkel, J., Wallen, N. and Hyun, H (2014) posit that a sample is a group of people, objects or items that taken from a larger population for measurement. The research study used the statistical sample determination table by Eastman and Bailey (2006) to select the precise sample size. These findings are tabulated below:

<table>
<thead>
<tr>
<th>Table 1: Sample size determination table</th>
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<tbody>
<tr>
<td><strong>Required Sample Size</strong></td>
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<td><strong>Confidence = 95%</strong></td>
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<tr>
<td><strong>Confidence = 99%</strong></td>
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<td>Population Size</td>
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From the above table, the study’s targeted population of 300 respondents would statically require at least 169 participants at 5% level of significance. For the purpose of this study, stratified random sampling was used for the selection of organisational departments to be used for data collection. The sampling method involved grouping the study participants into different non-overlapping groups according to their departments. The advantage of using stratified sampling was that standard errors were reduced as the technique controlled variance proportions, (Onwuegbuzie, Leech and Collins, 2012). This is because all the units of the population were covered in the sample. Stratified random sampling also helped in improving the accuracy of survey results and lowered the cost of a survey without losing accuracy, (Bryman, 2012).

3.3 Research Instrument

Research instruments that are used to collect primary data include questionnaires, interview guides, or focus group discussions. The study used structured questionnaires as the data collection instrument. A questionnaire is a list of carefully structured questions chosen for considerable testing with a view to elicit reliable responses from a chosen sample (Wiid and Diggines, 2011). The main advantage of using a questionnaire was that it is a decent method of acquiring information from a large sample (Wiid and Diggines, 2011). Moreover, questionnaires allowed anonymity of respondents and this would encourage more honest answers as compared to interviews, (Rubin and Babbie, 2010).

The survey questionnaire was split into six separate sections. The first section of the questionnaire pertained to biographic data of respondents where questions such as position in the organisation, gender of respondents, educational level, number of years in the organisation and age groups. The second section covered questions relating to the effect of training and professional development on skills retention whilst the third section had questions pertaining to the impact of rewards system on employee retention. Additionally, the fourth section of the questionnaire had questions relating to the association between job satisfactions and retaining employees and the fifth section had questions pertaining to the effect of work environment on skills retention. Finally, the sixth section had questions relating to the effect of organisational commitment on employee retention.

4. RESULTS AND DISCUSSION
The collected raw data from the respondents was first coded and cleaned manually to remove outliers or missing values and check for any errors. The cleaned data was then keyed into Statistical Package for Social Sciences (SPSS) version 24. SPSS was used to analyse the gathered responses from the survey respondents so as to comprehend and find out which retention elements is seen as important, (Bryson, Pendleton and Whitfield, 2013). Thus, the data was analysed with the aid of the SPSS using both descriptive and inferential statistics.

4.1 Test for Sample Adequacy

The research study sought to determine the appropriateness of the data for correlation and regression analysis by using the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett’s test of sphericity to the inter-item correlation matrix of the measurement instruments. The aim of KMO measure was to determine the degree of the relationship the study variables (Hair, Black, Babin and Anderson, 2010). According to Bryman and Bell (2011), KMO measures the sampling adequacy and should be greater than 0.5 for a satisfactory factor analysis to proceed. Likewise, if any pair of variables has a value less than this; it is advised to consider dropping one of them from the analysis. On the other hand, Bartlett’s test of sphericity was used to determine whether the correlation matrix would be an identity matrix. The IBM Statistical Package for Social Science (version 24) statistical software was used to analyses the data. The results are tabulated below:

<table>
<thead>
<tr>
<th>Kaiser–Meyer-Olkin Measure of Sampling Adequacy</th>
<th>0.926</th>
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<tbody>
<tr>
<td>Bartlett’s Test of Sphericity</td>
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<tr>
<td>Approx Chi-Square</td>
<td>1120.714</td>
</tr>
<tr>
<td>Df</td>
<td>276</td>
</tr>
<tr>
<td>Sig</td>
<td>0.000</td>
</tr>
</tbody>
</table>

From the findings above, the KMO value was 0.923, which can be viewed as adequate to predict the study variables since it is above 0.5. Thus, the findings do indicate that the study items measured were highly correlated. The Bartlett test of sphericity was significant with a value of 0.001 and the chi-square value of 1420.714 means that the variables are correlated which is an important prerequisite.

4.2 Reliability Test

Cronbach alpha tests were used to determine the reliability of the scale and its items. In line with Bryman and Bell (2012) the cut-off point of 0.7 was used as the guideline for acceptable reliabilities. The study’s constructs which were subjected to Cronbach Alpha test are reward system, training and development, job satisfaction, work environment and organizational commitment. The table below shows the Cronbach Alpha values for the study variables:

<table>
<thead>
<tr>
<th>Construct</th>
<th>Number of Items</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reward System</td>
<td>5</td>
<td>.751</td>
</tr>
<tr>
<td>Training and Development</td>
<td>5</td>
<td>.802</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>5</td>
<td>.793</td>
</tr>
<tr>
<td>Work Environment</td>
<td>5</td>
<td>.819</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>5</td>
<td>.795</td>
</tr>
</tbody>
</table>

From the above table, it can be seen that the Cronbach alpha values for the study variables such as reward system (0.751); training and development (0.802); job satisfaction (0.793); work environment (0.819) and organizational commitment (0.795) were more than the acceptable and recommended Cronbach’s alpha values. Thus, the scales in the questionnaires satisfactorily measured the constructs for the study.

4.3 Correlation Analysis

The research study used Pearson correlation analysis to determine the relationship between the aspects of skills retention strategies and employee retention. Specifically, the correlation analysis would determine the strength and direction of the relationship between the study variables. The correlation values range from -1 to 1 and a positive value shows that the
variables are positively related whilst a negative value indicates that the variables are negatively related. The interpretations for all the correlation values are stated below:

\[
\begin{align*}
r & = .10 \text{ to } .29 \text{ or } r & = -.1 \text{ to } -.29 \quad \text{Small} \\
r & = .30 \text{ to } .49 \text{ or } r & = -.30 \text{ to } -.49 \quad \text{Medium} \\
r & = .5 \text{ to } 1.0 \text{ or } r & = -.5 \text{ to } -1.0 \quad \text{Large}
\end{align*}
\]

**Figure 1: Correlation Guidelines**

*Source: Rubbin and Babbie: 2010*

The following table shows the relationship among independent variables (training and professional development, rewards system, job satisfaction, work environment and organizational commitment) and the dependent variable of employee retention.

**Table 4: Correlation Analysis**

<table>
<thead>
<tr>
<th>Correlation Analysis</th>
<th>Training &amp; Professional Development</th>
<th>Rewards System</th>
<th>Job Satisfaction</th>
<th>Work Environment</th>
<th>Organisational Commitment</th>
<th>Employee Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training &amp; Professional Development</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>-236*</td>
<td>-095</td>
<td>-250*</td>
<td>.649</td>
</tr>
<tr>
<td>Sig (2-tailed)</td>
<td>N</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
</tr>
<tr>
<td>Rewards System</td>
<td>Pearson Correlation</td>
<td>-.236*</td>
<td>1</td>
<td>-.329*</td>
<td>-.114*</td>
<td>.571*</td>
</tr>
<tr>
<td>Sig (2-tailed)</td>
<td>N</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>Pearson Correlation</td>
<td>-.095</td>
<td>-.329*</td>
<td>1</td>
<td>-.421*</td>
<td>.686</td>
</tr>
<tr>
<td>Sig (2-tailed)</td>
<td>N</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
</tr>
<tr>
<td>Work Environment</td>
<td>Pearson Correlation</td>
<td>-.250**</td>
<td>.114</td>
<td>-.421**</td>
<td>1</td>
<td>.599</td>
</tr>
<tr>
<td>Sig (2-tailed)</td>
<td>N</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>Pearson Correlation</td>
<td>.649</td>
<td>.571</td>
<td>.686</td>
<td>.599</td>
<td>1</td>
</tr>
<tr>
<td>Sig (2-tailed)</td>
<td>N</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
</tr>
<tr>
<td>Employee Retention</td>
<td>Pearson Correlation</td>
<td>.614</td>
<td>.553</td>
<td>.690</td>
<td>.654</td>
<td>.651</td>
</tr>
<tr>
<td>Sig (2-tailed)</td>
<td>N</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
</tr>
</tbody>
</table>

From the above correlation table, training and professional development has a positive and strong correlation with employee retention (\( r = 0.614, p < 0.000 \)) at 5% level of significance. This invariably means that any increase by the organisation in its training and professional development programs would result in skills retention improvement. The findings are in line with an explanatory study by Joo and Park (2010) which concluded that training and professional development would result in employee retention. This is also pointed out by Dalvi and Ebrahimi (2013) who elucidated that training and professional development programs enhance employee retention.

The Pearson correlation also revealed that there is a positive relationship between rewards system and employee retention with correlation coefficient of \( r = 0.553, p < 0.004 \) at 5% level of significance. These findings imply that if the Health Company increases and improves employee reward systems then the employees will be willing to remain. The findings agree with an exploratory study conducted by Bryson, Pendleton and Whitfield (2013) on the North Cyprus national airline which revealed that reward systems for employees had a significant effect on skills retention. Likewise, another study by Coetzee (2015) on commercial domestic passengers of low cost carrier flight in Indonesia found that reward systems had a significant positive impact on employee retention. This suggests that employees who were satisfied with their rewards had high levels of affective commitment. This is also consistent with Scott’s (2010) study on the impact of reward programmes on employee retention.
emotional engagement to their work, which found that 52 percent of the respondents indicated that their organization’s total rewards strategies had a positive effect on employee emotional engagement.

Furthermore, job satisfaction showed a positive and significant relationship with employee retention \((r = 0.690, p < 0.002)\) at 5% level of significance. These results indicate that any improvement in satisfaction of Health Company employees would result in improved skills retention. The above results are consistent with the empirical findings by Boles, Ross and Johnson (2009) who concluded that turnover rate was affected by job satisfaction. In the same vein, Harunavamwe and Kanengoni (2013) found a positive and significant correlation between job retention and job satisfaction. Another quantitative study by Coetzee (2015) noted that turnover intentions were heavily influenced by job satisfaction. Thus, the findings showed that job satisfaction and employee retention are conceptually connected and have positive significant relationship. The study also revealed that there is a positive correlation between work environment and skills retention \((r = 0.654, p < 0.000)\) at 5% level of significance. This means that any positive improvement in organizational work environment for Sovereign Health Company would result in improved skills retention. The above findings agree with Zakaria, Dzulkipli and Osman (2014) who state that work environment may stimulate feelings of willingness to stay with the organization. As expounded by Baker (2013), working environment has a higher impact on skills retention. Another empirical study by Chandramohan (2008) found that work environment is a superior predictor of skills retention in the organization setting. Thus, workplace environment has a positive impact on the retention of employees.

The Pearson correlation also revealed that there is positive relationship between organizational commitment and employee retention with correlation coefficient of \(r = 0.651, p < 0.004\) at 5% level of significance. These findings imply that if the Health Company employees are committed to the organization then the employees will be willing to remain. The study findings suggest that the workers are to a great extent committed to the organization. The findings concur with Kuruvilla and Ranganathan (2010) who argue that organizational commitment has a significant positive effect on employee retention. On the other side, Rasouli, Rashidi and Hamidi (2014) argue that organizations with committed employees enjoy high success ratio and lower levels of employee turnover. This is because employees will feel appreciative and show enhanced commitment and less encouragement to leave the organization.

### 4.4 Regression Analysis

In order to understand the effectiveness of skills-retention strategies in curbing staff turnover, the researcher ran a linear multiple regression test using SPSS version 24.0. The findings from the regression model are tabulated below:

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>R</th>
<th>R²</th>
<th>Adjusted R²</th>
<th>Std. error of estimate</th>
<th>Change statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.729</td>
<td>.687</td>
<td>.522</td>
<td>.0610</td>
<td>.784</td>
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</tbody>
</table>

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<th>Change statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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<td>.687</td>
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changes in the independent variable was $R^2 = 0.522$. This shows that about 52.2% of employee retention in the organization can be explained by the 5 types of skills retention strategies such as training and professional development, rewards system, job satisfaction, work environment and organizational commitment. The remaining 47.8% would refer to other factors out of interest of the present study. In addition, the findings showed that the model for the study was significant at the F statistics ($F = 29.711$) and (Sig = 0.000) at 5% level of significance. This shows that the whole model was significant. In other words, there is an overall effect for all the skills-retention strategies under study on employee retention. Furthermore, the regression model was used to allow a simultaneous analysis of the effect of more than 2 variables. The results from the findings are shown in the following table below:

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardised coefficient</th>
<th>Standardised coefficient</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>4.874</td>
<td>5.81</td>
<td>2.894</td>
<td>.002</td>
</tr>
<tr>
<td>Training And Professional Development</td>
<td>.662</td>
<td>5.73</td>
<td>1.403</td>
<td>.003</td>
</tr>
<tr>
<td>Rewards System</td>
<td>.570</td>
<td>5.88</td>
<td>1.228</td>
<td>.000</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>.733</td>
<td>6.92</td>
<td>1.874</td>
<td>.002</td>
</tr>
<tr>
<td>Work</td>
<td>.648</td>
<td>6.38</td>
<td>1.692</td>
<td>.000</td>
</tr>
<tr>
<td>Environment</td>
<td>.686</td>
<td>4.73</td>
<td>1.631</td>
<td>.000</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>.896</td>
<td>.473</td>
<td>.227</td>
<td>.000</td>
</tr>
</tbody>
</table>

From the findings, it was established that the study showed a statistical significant relationship with $p < 0.002$. Moreover, the findings revealed that a unit increase in training and professional development programs would result in skills retention for the organization by a factor of 0.662. On the other hand, a unit increase in the organization’s rewards system would lead to an increase in skills retention by a factor of 0.570 and a unit increase in job satisfaction would result in an increase of employee retention by a factor of 0.793. Furthermore, a unit increase in work environment would lead to an increase in skills retention by a factor of 0.648 and a unit increase in organizational commitment would lead to increase in skills retention by a factor of 0.686. From the findings, training and professional development ($p = 0.003$), rewards system ($p = 0.000$), job satisfaction ($p = 0.002$), work environment ($p = 0.000$) and organizational commitment ($p = 0.000$) were all significant in predicting employee retention since the $p$ values were less than 0.05. Thus, the findings vividly show a positive relationship between skills retention strategies and employee retention and the magnitude of the correlation was significantly large. This shows that as skills-retention strategies increase, employee retention behaviours tend to get stronger. These findings conform to the work of Crossman and Zaki (2013) who see skills-retention strategies as important apparatus in influencing employee commitment and retention on the job. Another study by pay Nguyen et al (2013) concluded that the there is positive relationship between skills retention strategies and staff retention. Empirical data by Martensen and Gronholdt (2011) showed that there is a positive relationship between skills retention strategies and employee retention. Furthermore, studies by Fang (2011) found that there is a strong correlation between skills retention strategies and organizational loyalty of employees.

5. CONCLUSIONS AND RECOMMENDATIONS

Based on the findings and conclusions, the following recommendations are suggested:

- Since the study established that there is a positive and significant relationship between effectively implementing skills-retention strategies and curbing staff turnover, it is important for management of the organisation to hire employees who are likely to become linked to the organisation. In particular, management can look for congruence between the individual’s values and goals with those of the organisation. The organization should also take into consideration factors such as promotion, salaries, working conditions and the nature of work in order to reduce employee turnover.
The organization should incessantly monitor turnover rate and give much importance in strategy formulation because high turnover of talented and skilled employees would constitute a loss.

It is important for the Health Company management to sensitize their employees on reward management criteria being used and guide them through their respective departments. Moreover, the reward management system should be merit-based and all hard work should be rewarded in order to encourage employees.

In order to encourage career development in the organization, it is important for the organization to provide various professional development courses that would help employees to enhance their knowledge, encourage growth and career development for the employees to also achieve their personal goals. For instance, the organization can conduct annual career discussions with all their employees.

REFERENCES


Page, R.J. and Judson University (2011) *Attracting and retaining Generation X and Y employees in the insurance industry*. Elgin, Ill.: Judson University, [Division of Adult and Continuing Education.


